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Referred: Health, Education and Social
Services and Finance

5-0333B

1 IN THE SENATE

BY FISCHER

2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 73
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - SECOND SESSION
5 A BILL

6 For an Act entitled: "An Act repealing outside service credits under the
7 Teachers' Retirement System; and providing for an
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 14.25.060(b) is amended to read:

11 (b) If a member joined [JOINS] the system on or after July 1,
12 1978, and before July 1, 1988, and had [HAS] creditable outside ser-
13 vice, the member may claim this service. If claimed, the member is
14 indebted to the retirement fund as follows:

15 (1) The arrearage indebtedness is the full actuarial cost
16 of providing benefits for the service being claimed. Compound inter-
17 est at the rate prescribed by regulation shall be added to the arrear-
18 age indebtedness beginning the date the actuarial cost is established
19 to the date of payment or the date of retirement, whichever occurs
20 first.

21 (2) If a member terminated [TERMINATES] from the system and
22 was [IS] subsequently reemployed as a member, the arrearage indebted-
23 ness for outside service during the interim is the full actuarial cost
24 of providing benefits for the interim service being claimed. Compound
25 interest at the rate prescribed by regulation shall be added to the
26 arrearage indebtedness beginning the date the actuarial cost is estab-
27 lished to the date of payment or the date of retirement, whichever
28 occurs first.

29 [(3) Repealed]

1 * Sec. 2. AS 14.25.220(25) is amended to read:

2 (25) "outside service" means service for full years, as
3 defined by (40)(A)(x) and (40)(B)(xi) of this section, if the years
4 were served before July 1, 1988.

5 (A) as a certificated full-time elementary or second-
6 dary teacher or a certificated person in a full-time position
7 requiring a teaching certificate as a condition of employment in
8 an out-of- state public school within the United States, or in a
9 school outside the United States supported by funds of the United
10 States;

11 (B) as a certificated full-time elementary or second-
12 dary teacher or a certificated person in a full-time position
13 requiring a teaching certificate as a condition of employment in
14 an approved or accredited nonpublic school within the United
15 States, or in a school outside the United States supported by
16 funds of the United States;

17 (C) in a full-time position requiring academic stand-
18 ing in an out-of-state institution of higher learning accredited
19 by a nationally recognized accrediting agency as listed in the
20 Education Directory - Colleges and Universities by the National
21 Center for Education Statistics;

22 (D) as a full-time teacher in an approved or accredit-
23 ed nonpublic institution of higher learning in Alaska;

24 * Sec. 3. This Act takes effect July 1, 1988.